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**OIL AND GAS LEASE
(PAID-UP)**

THIS LEASE (the "Lease"), made and entered into as of the 5th day of March, 2009, by and between BNSF RAILWAY COMPANY, hereinafter referred to as "Lessor", and CHESAPEAKE EXPLORATION, LLC, P. O. Box 18496, Oklahoma City, Oklahoma 73154 hereinafter referred to as "Lessee".

WITNESSETH:

1. That for and in consideration of the sum of Ten & More (\$10.00) Dollars, lawful money of The United States of America, Lessor does hereby grant, demise, lease and let to Lessee (subject to the provisions hereof) the exclusive right to all oil, natural gas, casinghead gas and other associated hydrocarbon substances, hereinafter referred to as "Substances", in, or that may be recovered from, that certain land situated in the County of Tarrant State of Texas, described on Exhibit "A" hereto attached and made a part hereof, containing 7.049 gross acres, more or less, hereinafter referred to as the "Leased Premises", together with the right to produce, extract and take said Substances and water for operations hereunder. The "Leased Premises" specifically excludes the surface of Lessor's land, it being the intent of the parties that the Lessee not have any express or implied rights (via easement or other) to enter or use any of Lessor's surface estate.

RESERVING unto Lessor, its successors and assigns,

- (a) the sole and paramount right to occupy and use the Leased Premises for railroad purposes without impairment or interference by Lessee in the exercise of the rights herein leased and;
- (b) the right to use the Leased Premises for any and all other purposes not inconsistent with the rights herein leased to Lessee.

2. This Lease is made subject to any and all easements, rights of way, existing leases, licenses, renewals of all of the above, as well as all other existing encumbrances, whether or not of record, affecting the Leased Premises.

3. Notwithstanding anything herein to the contrary, Lessee shall not drill any well nor construct any structures or facilities whatsoever over, upon through or within two hundred (200) feet of the surface of the Leased Premises, nor enter or cross thereon, without Lessor's prior written consent, which may be granted or withheld in Lessor's sole discretion.

4. The Lessee shall pool all or a portion of the Lease Premises as follows:

(a) If any Substances are discovered in paying quantities on any spacing unit prescribed by state or federal authority having jurisdiction that includes any portion of the Leased Premises, Lessee shall effect a pooling of the Leased Premises within the spacing unit with the other acreage therein.

(b) If there is no applicable state or federal spacing unit, then Lessee shall pool the Leased Premises or portions thereof with other land, lease or leases in the immediate vicinity thereof. The size of the pooled unit and whether any, all or part of the Leased Premises are included in the pooled unit, shall be reasonably determined by Lessee based only on: (i) applicable spacing rules of the Oil and Gas Board or equivalent of the appropriate state or other lawful authority; (ii) what is needed for orderly exploration and development of the area; (iii) the need and desirability to protect the Leased Premises or portions thereof from drainage; and (iv) the promotion of the conservation of oil and gas. No other factors, including, without limitation, the amount of royalty due to Lessor hereunder, shall be considered in the pooling decision.

(c) If there is no applicable state or federal spacing unit, and if Lessee does not pool the Leased Premises or portions thereof, then Lessee shall pay to Lessor the royalty provided for herein based on 80-acre unit spacing for oil and 160-acre unit spacing for gas, plus or minus a tolerance of 10%. The placement of the unit boundaries shall correspond as much as possible to any applicable governmental subdivisions, or if no applicable governmental subdivisions, then in a manner customarily practiced in the area.

(d) In the event production of any Substances is obtained from any lands included within any pooled unit or spacing unit, whether or not from the Leased Premises, there shall be allocated to the portion of the Leased Premises included in such unit, for the purpose of royalty determination, only that proportion of the entire production from such unit that the amount of Lessor's acreage in such unit bears to the total acreage in such unit, and royalty payable under this Lease with respect to the Leased Premises included in such unit shall be computed only on that portion of such production so allocated to such Leased Premises. Allocation, as aforesaid of production from any such unit, to the Leased Premises shall continue notwithstanding termination by Lessee, either in whole or in part (by surrender, forfeiture or otherwise), of this Lease covering lands in such unit until such time subsequent to such termination as Lessor shall drill for or produce, or permit other than the Lessee to drill for or produce any of the aforesaid Substances from any part of such lands, whereupon all such lands formerly included in such unit and as to which this Lease shall have terminated shall be excluded in determining the production to be allocated to said lands in such unit.

5. In the event any well or wells drilled through the subsurface of the Leased Premises shall have a producing interval in any land other than the Leased Premises or land pooled therewith, and such Leased Premises is not otherwise entitled to a landowner's royalty under this Lease, then Lessee agrees to pay Lessor an overriding royalty of three (3) % of the gross production of such well.

6. Whether a well is an oil well or a gas well shall be determined by the regulations or laws of the governmental authority having jurisdiction over said well.

7. After the discovery of any Substances in paying quantities by a well drilled on (if permitted under this Lease) or under the Leased Premises, or on or under land pooled with all or a portion of the Leased Premises, Lessee shall reasonably and prudently develop the Leased Premises and lands pooled therewith.

8. This Lease shall be for a term of two (2) years from the date hereof ("Primary Term"). Notwithstanding anything herein to the contrary, this Lease shall terminate no later than fifty (50) years from the date hereof. The only circumstances which will allow the extension of the Lease or portions thereof beyond the Primary Term are as follows:

(a) If at expiration of the Primary Term, Lessee is then engaged in drilling or reworking operations on or under the Leased Premises or on lands pooled therewith, the entire Lease shall remain in force so long as operations on said well or wells are prosecuted with reasonable diligence, and if, after the completion or abandonment of any such well, Lessee commences the drilling of an additional well within ninety (90) days from the completion or abandonment of the preceding well, or continuously conducts drilling operations in good faith and with reasonable diligence on or under the Leased Premises or on lands pooled therewith without any cessation for longer than ninety (90) days after the completion or abandonment of the final well, at which time this Lease shall terminate except as to each tract then held by a well or substitute well (as hereafter defined) producing Substances in paying quantities or by a shut-in gas well or substitute well; provided further that if Lessee in good faith has permitted to drill a well to a prescribed objective depth before the expiration of the Primary Lease and is conducting drilling operations on such well at the expiration of the Primary Term and thereafter encounters any difficulties which prevent Lessee from reaching the depth called for in such permit, Lessee shall have an additional sixty (60) days in which to commence a substitute well permitted to the same objective depth and the provisions of this paragraph shall then apply to the deepest producing or producible zones reached in any such substitute well.

(b) For any portion of the Leased Premises which is entitled to receive landowner royalties under this Lease, the provisions of the Lease shall remain in full force and effect so long thereafter as Substances are produced in paying quantities from the Leased Premises or from lands pooled therewith, subject to the fifty-year term limitation described in this Lease.

(c) If after the discovery of Substances the production thereof should cease from any cause, this Lease or the affected portion thereof shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter on the Leased Premises or acreage pooled herewith. If at the expiration of the Primary Term, Substances are not being produced from the Leased Premises or acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon the Lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of Substances, so long thereafter as Substances are produced from acreage pooled therewith.

(d) If there are circumstances giving rise to a "Force Majeure", as detailed later in this Lease.

9. The landowner royalties to be paid by Lessee are:

(a) On oil, twenty-six percent (26%) of that produced and saved from the Leased Premises, the same to be delivered at the wells or to the credit of Lessor free of cost, into the pipeline to which the well or wells may be connected or, at Lessor's option, Lessee shall pay to

Lessor for any such royalty oil the market value thereof; the market value of royalties payable hereunder for oil and associated hydrocarbons other than the gas shall be computed at the highest of (i) the highest posted price, (ii) the area market price or (iii) the price actually received by Lessee.

(b) On gas, including casinghead gas or other gaseous substances produced from the Leased Premises and sold or used off the Leased Premises, or for the extraction of gasoline or other products therefrom twenty-six percent (26%) of the higher of the market value at the well or other delivery point of the gas so sold or used, or the amount realized by Lessee from the sale of such gas.

(c) (i) Lessor at any time and from time to time shall have the option of purchasing Lessor's proportionate part of all the oil and/or condensate produced from or allocated to that portion of the Leased Premises earned hereunder at the highest posted price for the area at which sales are actually being made, or if there is no posted price, then at the prevailing market rate in the area.

(ii) Lessor shall have, and it hereby reserves, the right and option to purchase or designate a purchaser of Lessor's proportionate part of all gas or casinghead gas that may be produced from the well(s) drilled pursuant to this Lease, provided, however, in the event that Lessor and Lessee are unable to agree upon a contract to purchase such gas or casinghead gas and Lessee desires to enter into a contract for the sale of such gas or casinghead gas with a third party, then if Lessor exercises said option, it must be willing to purchase said gas or casinghead gas upon the same terms and conditions as those offered in writing by the prospective gas purchaser. Lessee shall notify Lessor in writing of any prospective gas purchaser that has tendered a contract for the purchase of such gas or casinghead gas, upon terms and conditions that Lessee is willing to accept and furnish Lessor with a copy thereof, and Lessor shall have a period of sixty (60) days after the date of such notification within which to exercise such option, and in the event Lessor shall fail to notify Lessee within such sixty (60) day period of its election to exercise its option to purchase such gas or casinghead gas, then Lessor shall thereafter have no right to purchase the gas or casinghead gas during the contract term; provided, however, that in the event Lessee, for any reason, shall thereafter not accept or execute such contract within ninety (90) days from the date of such notification to Lessor, or Lessee accepts such contract and thereafter such contract expires or is terminated, then, in either event, the foregoing reservation by Lessor to enter into a contract to purchase the gas or casinghead gas shall continue in full force and effect, and said right shall apply with respect to any new offer for such gas or casinghead gas thereafter. Further, Lessee shall not enter into any contract that shall cover any interest of Lessor in any gas or casinghead gas that may be produced from any well that may be drilled under the terms of this Lease without Lessor's written approval as to the terms and provisions contained in such contract, unless the terms and provisions contained therein shall specifically exclude such interest of Lessor.

(d) Lessee agrees that all royalties accruing under the Lease shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and leased substances produced hereunder ready for sale or use.

(e) For each well Lessee commences pursuant to this Lease, and which is capable of production, in paying quantities, Lessor shall have an option to reduce its landowner's royalty in exchange for a working interest in accordance with the terms and provisions of Exhibit "C" hereto attached and made a part hereof.

10. Notwithstanding anything herein to the contrary, if Lessee, any of its working interest partners, or any other party in the drilling unit, spacing unit, or pooled or unitized land to which the Leased Premises is included have agreed to pay or later does agree to pay a higher royalty or bonus or delay rental to another landowner in the same drilling unit, spacing unit, or pooled or unitized land to which the Leased Premises is included, then Lessee shall pay Lessor based on the higher royalty, bonus and/or delay rental, retroactive to the effective date of this Lease.

11. Lessee shall pay to Lessor all royalties payable hereunder on or before the last day of the month next following the month of production of the Substances on which the royalties are being paid. All royalty payments shall be accompanied by an accounting statement showing the gross amount and disposition of all Substances so produced, together with a copy of the information furnished the regulatory agency having jurisdiction regarding the monthly production and disposition thereof. Upon request in writing made by Lessor to Lessee, Lessee shall mail a copy of all contracts under which gas produced under the terms hereof is sold or processed and all subsequent agreements and amendments to such contracts to Lessor within thirty (30) days after receipt of such written request. Lessee shall, upon written request by Lessor, make available to Lessor, at reasonable times, for inspection and duplication at Lessor's expense, the books, accounts, and all other records pertaining to production, transportation, sale and marketing of any product hereunder. Lessor reserves the right to audit any royalty whether paid or not paid. Any royalty not paid within the time specified herein shall be deemed delinquent and shall have added to the sum actually owing a delinquency penalty of two percent (2%) of such sum for each thirty (30) day period of delinquency or a fractional period thereof in the payment accompanied by the required data. Lessee shall not be penalized for any delay in Lessor receiving royalty payments resulting from delay in postal services when the royalty payment has been mailed to Lessor at least five (5) days prior to the due date or any delay which may be the result of information provided by Lessor. Lessee shall bear all other responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. The Lessor shall have a first lien upon all Substances produced from or attributable to the lands covered hereby to secure the payment of all unpaid royalty and other sums of money that may become due to the Lessor hereunder.

All sums payable hereunder shall be made payable to BNSF Railway Company and mailed to BNSF Railway Company at P. O. Box 676167, Dallas, Texas 75267-6167.

12. If at any time, either before or after the expiration of the Primary Term of this Lease, there is any gas well on lands with which the Leased Premises are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used for lack of a market or outlet and such unitized portion of the Leased Premises is not being drained, this Lease only insofar as pooled or unitized said lands are concerned shall, nevertheless, be deemed to be producing if and

so long as Lessee, in lieu of royalty payments while such well is shut-in, pays to Lessor, within ninety (90) days after said well is shut-in, an amount equal to Four Hundred Dollars (\$400) per well per year. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this Lease as a producing well except for purposes of protecting against drainage, and this Lease only insofar as pooled or unitized lands are concerned shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. However, no portion of this Lease may be extended for more than three (3) consecutive years by such shut-in gas well payments. In the event the portion of the Leased Premises included in a unit on which a shut-in gas well is located is being drained, Lessee shall protect such portion of the Leased Premises as provided in this Lease.

13. Termination of this Lease or portions thereof may occur only under the following circumstances:

(a) Lessee may at any time and from time to time terminate this Lease as to all or any portion of the Leased Premises, provided there is at the time of surrender no well capable of producing Substances in paying quantities on the portion of the Leased Premises to be surrendered, or on lands pooled therewith.

(b) Upon the expiration of the Primary Term or any extension permitted hereunder, this Lease shall expire as to the Leased Premises except as to such portions of the Leased Premises as are contained within the drilling unit or spacing unit in which each of said wells is located or, if unspaced, as to such portions of the Leased Premises within the applicable governmental subdivision, if any; only to the depth of the producing formation in such productive wells. As to portions of the Leased Premises as are contained within the spacing unit or drilling unit in which each of said wells is located, leasehold rights granted hereunder shall terminate upon the expiration of the Primary Term or any extension permitted hereunder, as to all depths below one hundred (100) feet below the stratigraphic equivalent of the base of the deepest producing or producible zone or horizon penetrated by a well drilled on or under the Leased Premises or on acreage pooled therewith.

(c) If at any time following expiration of the Primary Term the area of the pooled drilling and spacing unit which includes the Leased Premises is changed to exclude some or all of the Leased Premises, then and in that event all interest of Lessee in the excluded lands shall terminate unless extended through further operations as permitted hereunder.

(d) Notwithstanding anything herein to the contrary this Lease or any portion still in effect shall terminate and be of no force and effect at the end of fifty (50) years from the date hereof.

(e) Default of Lessee hereunder.

14. Upon the violation by Lessee of:

(a) Any of the terms, covenants and conditions of this Lease relating to the payment of money to Lessor, and Lessee's failure to remedy the default within thirty (30) days after receipt of written notice of such default, then at the option of Lessor:

- (i) This Lease shall forthwith cease and terminate; or
- (ii) Lessor shall be entitled to double the amount of royalty due plus any late penalties due and reasonable attorney's fees.

Lessor's failure to select an option within sixty (60) days after Lessee's receipt of written notice of such default shall constitute a selection of option (i).

(b) Upon the violation by Lessee of any of the terms, covenants and conditions of this Lease relating to matters other than payment of money to Lessor, and Lessee's failure to remedy the default within sixty (60) days after receipt of written notice of such default, this Lease shall forthwith cease and terminate.

(c) Upon cessation and termination of this Lease under this Paragraph, all the rights of Lessee in and to the Leased Premises shall be at an end, except that Lessee shall have the right to retain and hold under this Lease the area surrounding each well producing or being drilled, with respect to which it is not in default to the same extent and with the same rights as provided in the event of a surrender by Lessee. The waiver by Lessor of any breach of any covenant or condition hereof shall not be a waiver of any other or subsequent breach hereof, nor of any other covenant or condition hereof.

15. Within sixty (60) days after each event which gives rise to a termination of all or any portion of the Leased Premises, Lessee shall execute, record and deliver to Lessor a release of this Lease as to all of the Leased Premises as to which this Lease has expired.

16. Upon termination of this Lease in any manner, and where the surface of the Leased Premises has been utilized or affected in some manner, Lessee agrees:

(a) to comply with all laws and regulations in regard to abandonment of wells, to re-level the surface of the land involved, to fill all abandoned sump holes and excavations made by Lessee;

(b) to remove all derricks, tanks and tank supports;

(c) to remove, if Lessor so desires, lines running from any such abandoned well, to fill all ditches opened up by removal of the pipeline and to restore the ground to its natural contour; and

(d) to otherwise restore the surface of the Leased Premises affected to substantially its condition prior to the commencement of any activities.

17. Lessee shall have the right, at any time and from time to time during the continuance hereof, and within sixty (60) days after the termination of this Lease, to remove from the Leased Premises all machinery, rigs, piping, casing, pumping station and other property belonging to, or in the custody of, Lessee. Upon expiration of said sixty (60) day period, Lessor may hold or dispose of such property free and clear of any right, title or interest of Lessee therein and Lessor may remove said property and clean up the premises in connection therewith, all at the expense of Lessee, which expense Lessee agrees to pay to Lessor upon demand.

18. Lessee shall maintain the Leased Premises according to standards appropriate for the community, neighborhood and use being made of the Leased Premises or portions being utilized thereof. Each producing well, as soon as completed by the Lessee, shall be placed upon production and shall thereafter be operated by Lessee diligently and continuously, and in accordance with sound oil field practice. Lessee, from time to time as necessary, shall clean out the wells and do any and all other work required to keep them in condition for production and the extraction of oil and gas therefrom to best advantage. Except as herein otherwise provided, the Lessee will keep each well drilled on the Leased Premises covered by this Lease producing to capacity consistent with good operating practice.

19. In the event that a well has been drilled or subsequent to the date of this Lease is drilled on adjacent property the producing interval of which is within three hundred thirty (330) feet of the exterior boundary of the Leased Premises and oil in paying quantities is produced therefrom, or in the event that a gas well has been drilled or subsequent to the date of this Lease is drilled on adjacent property, the producing interval of which is within three hundred thirty (330) feet of the exterior boundary of the Leased Premises and gas in paying quantities is produced and marketed therefrom, and such well is not within a unit created under the provisions of this Lease, any such well being hereinafter referred to as a "competing well", and provided there is no offset well in the Leased Premises or in any unit with which the Leased Premises are pooled within the offset area herein specified, Lessee agrees that, within ninety (90) days after the execution of this Lease if there is an existing competing well, or within ninety (90) days after a competing well has been thereafter completed and put upon production, as the case may be, it will commence drilling operations into the Leased Premises (if granted permission by Lessor to use the surface of the Leased Premises) or into the lands with which such Leased Premises have been or shall be pooled for an offset well, the producing interval of which shall be within an area extending three hundred thirty (330) feet from the boundary separating the properties and three hundred thirty (330) feet on each side of a straight line or projection thereof extending from the competing well through the nearest point on said boundary, as to a competing oil well, or within an area extending three hundred thirty (330) feet from the boundary separating the properties and three hundred thirty (330) feet on each side of a straight line or projection thereof extended from the competing well through the nearest point on said boundary, as to a competing gas well, or to cause such competing well to be included in a unit pursuant to the provisions of this Lease, or to surrender and terminate all of its rights hereunder to drill for or produce oil or gas from that portion of the Leased Premises which would fall within the appropriate offset area hereinabove defined. Nothing herein contained shall require Lessee to drill at any time with more than one string of tools. Further, Lessee shall not be obligated to drill any offset well or wells if it has already drilled, on the Leased Premises on the lands with which they are pooled, the total number of wells provided elsewhere herein to be drilled.

20. Lessee agrees to pay before delinquent all taxes and assessments levied on the mineral rights leased hereunder, on the buildings, structures, equipment and personal property constructed, maintained, placed or used by Lessee on the Leased Premises and on the Substances not owned by Lessor stored thereon, and to furnish promptly to Lessor evidence of such payments. Lessor agrees to pay all taxes and assessments levied on buildings, structures and other improvements on the Leased Premises constructed, maintained, placed or used by Lessor or by parties other than Lessee claiming under Lessor.

21. All labor performed and material furnished in the operations hereunder shall be at the cost and expense of Lessee and Lessor shall not be liable therefor. Lessee agrees to pay in full all persons who perform labor or services on, furnish materials joined or affixed to, or provide equipment for, said land, or for the construction, reconstruction, repair or placement of any improvements or structures on said land, at Lessee's instance or request. Lessee shall not permit or suffer liens of any kind or nature to be enforced against said land for such labor, services, materials or equipment. Lessor may post and maintain upon the Leased Premises notices of non-responsibility as provided by law.

22. Lessee shall comply with all applicable laws, ordinances and governmental orders and regulations pertaining to the exercise of Lessee's rights hereunder. Lessee shall furnish such evidence as Lessor may require showing that Lessee has complied with requirements and conditions imposed under laws, ordinances and governmental orders and regulations applicable to Lessee's exercise of Lessee's rights hereunder.

23. Should Lessee be prevented from complying with any express or implied covenant of this Lease, except the payment of money, from conducting drilling or reworking operations on land pooled therewith or from producing Substances therefrom by reason of any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this Lease shall be extended while and so long as Lessee is making a diligent and good faith effort to remove any such cause but is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from acreage pooled therewith; and the time while Lessee is so prevented shall not be counted against Lessee. Notwithstanding the above, this Lease shall not be extended under this Paragraph for any period of time greater than two (2) years.

24. It is agreed that Lessor does not warrant title to the Leased Premises, either express or implied, and all bonus consideration paid hereunder is non-refundable; but if Lessor owns an interest in the Substances on, in or under the Leased Premises less than the entire mineral estate, then the royalties to be paid Lessor may be reduced proportionately.

25. Notwithstanding anything to the contrary contained in this Lease or any prior agreement between Lessor and Lessee, Lessee shall indemnify, protect, defend (by counsel acceptable to Lessor) and hold harmless Lessor and its directors, officers, employees, shareholders, agents, consultants, contractors, subsidiaries, affiliates, lenders, and each of their respective successors and assigns (individually and collectively "Indemnitees") from and against any and all claims, actions, judgments, causes of action, demands, damages, penalties, fines, taxes, costs, liabilities, losses, liens, expenses, attorneys' fees and costs and court costs (collectively "Liabilities"), arising at any time before, during or after the term of this Lease as a result of (directly or indirectly) or in connection with the occupancy of, or operations of Lessee on or in the Leased Premises or property adjacent thereto or nearby, or the existence of oil wells, gas wells, derricks, pipelines or tanks or appurtenances thereof, used by Lessee on or in said Leased Premises or property adjacent thereto or nearby, including, without limiting the generality of the foregoing, the breakage of pipelines, tanks or other equipment or the escape or loss of oil,

petroleum products, gas, water or fire therefrom, irrespective of negligence on the part of Lessor, or the agents, officers or employees thereof. This obligation by Lessee to indemnify, protect, defend, and hold harmless, indemnitees include, without limitation: any and all Liabilities which arise out of or result (directly or indirectly) from (i) joint venture or assignment of Lessee's interest to a third party, (ii) any of such third party's activities, or failure to act, on or in connection with the Properties, (iii) Lessee being designated "Operator" or equivalent title under any environmental laws, and all resulting liability therefrom, and (iv) Lessee's breach of this Lease and/or its failure to comply with the law. The foregoing Liabilities include all costs, damages and expenses incurred for or in connection with property damage or personal injury; all foreseeable and unforeseeable consequential damages; all sums paid in settlement of claims; reasonable attorneys' fees; litigation, arbitration and administrative proceeding costs; and expert, consultant and laboratory fees. The above indemnity by Lessee shall not include any Liabilities which Lessee may suffer by reason of the sole active gross negligence, intentional acts, or willful misconduct of Lessor. This indemnity shall survive the expiration or termination of this Lease and also as to parcels of the Leased Premises removed from this Lease prior to such expiration or termination.

26. Prior to exercising any rights granted under this Lease, Lessee shall carry and maintain at all times the following insurance coverage which shall name Lessor as an additional named insured:

- (i) Worker's Compensation including occupational disease with a minimum limit of liability for employers liability equal to the greater of \$800,000 or the amount required under any applicable law or regulation;
- (ii) Commercial General Liability with limits not less than \$2,000,000 combined single limit, including:
 - (a) Blanket Contractual Liability
 - (b) Personal Injury
 - (c) Independent Contractors
 - (d) Removal of the "XCU" Exclusions
- (iii) Automobile Liability with limits not less than \$1,000,000 combined single limit including all owner, non-owned and hired automobiles;
- (iv) "All Risk" physical damage insurance on all surface facilities, if applicable.

Lessee shall carry Excess Umbrella Liability coverage with limits of not less than \$10 Million covering operations under this Lease. The policy or policies providing coverage for any period after commencement of development shall also include protection against explosion. Each policy shall waive subrogation rights against the named insured. Prior to exercising any rights granted under this Lease, and then prior to January 1 of each year during the term of this Lease, Lessee shall provide Lessor with evidence that the required insurance is in effect. The limits of each such policy shall be increased or decreased from time to time to meet changed circumstances.

27. Lessor shall have full access to the Leased Premises and the lands pooled therewith, including without limitation access to all wells and operations. Lessee shall provide Lessor with the information and data outlined in Exhibit "B" attached hereto and made a part hereof and any other information in relation to the Leased Premises to ascertain the production and amount of substances shipped therefrom. The rights herein granted to Lessor and the well information requirements set out in said Exhibit "B" are an important part of the consideration for and go to the very essence of this Lease. Lessor shall have the right at all times to audit Lessee's accounts and records relating to this Lease. Lessee shall be advised in writing of Lessor's desire to conduct an audit and such audit shall be conducted during normal business hours in a manner to cause a minimum of inconvenience to Lessee. Failure to timely comply with the terms hereof and the well information requirements during the course of drilling, testing, completing and equipping any well, will be considered a material breach of this Lease.

28. All notices required to be given under this Lease and other communications shall be in writing and shall be deemed to have been delivered when delivered in person to an officer or agent of the addressee or when enclosed in an envelope and deposited as certified or registered mail, return receipt requested, in a United States post office, or by telegram, postage or charges prepaid, addressed to the parties hereto as follows:

"Lessor"

BNSF Railway Company
C/o Dusty M. Sanderson
2505 Lakeview, Suite 210
Amarillo, Texas 79109

"Lessee"

Chesapeake Exploration, LLC
Attn: Henry J. Hood
6100 N. Western Avenue
Oklahoma City, Oklahoma 73118

Either party may change its foregoing notice address by giving notice to the other party as herein provided.

Each of the parties hereto shall promptly furnish the other party copies of any notices received from third persons which may affect this Lease and operations hereunder.

No change in Lessor's ownership in the land or in the rental or royalties shall be binding on Lessee until Lessee shall have received written notice of such transfer or assignment.

29. This Lease shall inure to the benefit of and be binding upon the respective heirs, administrators, executors, successors and assigns of the parties hereto, but no assignment by Lessee of this Lease, or any sublease or agreement affecting this Lease, or the Leased Premises, or any interest therein, shall be valid by operation of law or otherwise, unless made with the consent of Lessor in writing. As a condition of granting written consent (but such condition need not be expressed in such written consent), Lessee agrees that Lessee will remain fully responsible for and liable to Lessor for all of the Lease covenants and obligations, express or implied. Lessor shall receive an administrative fee (\$250.00 per lease per assignment) for Lessor's written consent to said assignment. The consent to one assignment by Lessor shall not be deemed to be a

consent to a subsequent assignment. All assignments lawfully made hereunder shall be recorded by Lessee in the official records of the counties or other appropriate jurisdictions in accordance with applicable recording statutes, laws and regulations.

30. Time is of the essence.

31. Neither previous telephone calls and correspondence, nor the preparation and mailing of this Lease form to Lessee, if unsigned by Lessor, shall constitute an offer to lease or a commitment to lease. Lessee acknowledges and confirms that there shall be no commitment to lease until Lessor signs this Lease.


32. Lessee represents that the lands covered under this lease are not currently producing oil, gas, casinghead gas or other gaseous substances. Also, Lessee represents that production revenue from the aforementioned lands is not being held in suspense for the benefit of the Lessor or its predecessors in title.

33. Lessee affirms to Lessor that Lessee or his agents have checked title on the Leased Premises and that Lessor appears to be the record owner of the mineral rights for the Leased Premises. Also, Lessee's title checks reveal that Lessor's interest is not subject to any existing oil and gas lease. Further, Lessee indemnifies Lessor against all claims against Lessor by all other parties by reason of Lessor being a party to this oil and gas lease.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR:

BNSF RAILWAY COMPANY

By: 
Blaine Bilderback, Director Corporate Facilities
& Development

LESSEE:

CHESAPEAKE EXPLORATION, LLC

By: 

Henry J. Hood, Senior Vice President – Land &
Legal & General Counsel

OK
JAH

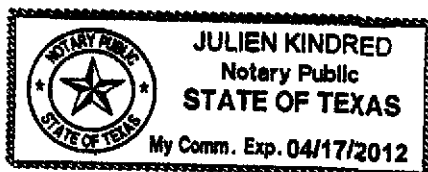
STATE OF TEXAS

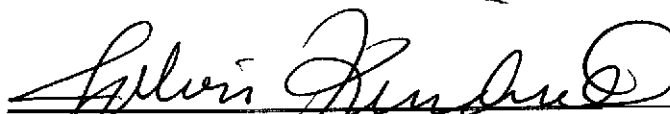
. SS

COUNTY OF TARRANT

BEFORE ME, the undersigned authority, on this day personally appeared Blaine Bilderback, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said BNSF RAILWAY COMPANY, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

March GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 19th day of
, 2009.




Notary Public in and for the State of Texas

My commission expires: 4/17/2012

STATE OF OKLAHOMA

SS

COUNTY OF OKLAHOMA

On this 10th day of March, 2009 before me personally appeared Henry J. Hood, to me personally known, who being by me duly sworn did say that he is the Senior Vice President – Land and Legal & General Counsel for CHESAPEAKE EDXPLORATION, LLC, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Senior Vice President acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and official seal.



Brenda L. Johnson
Notary Public

My commission expires: _____

EXHIBIT "A"

7.049 acres, more or less, out of the M. Roddy Survey, Abstract 1370, and the E. Little Survey, Abstract 954, more particularly described by metes in bounds in the following deeds.

2.909 acres, more or less, being a portion of a strip of land situated in the M. Roddy Survey, Abstract 1370, more particularly described by metes and bounds in that certain Warranty Deed dated May 1, 1890 by and between John Swayne, as Grantor and The Fort Worth and Denver Railway Company, as Grantee recorded in Volume 79 Page 190 of the Deed Records of Tarrant County, Texas.

4.14 acres, more or less, being a tract of land situated in the M. Roddy Survey, Abstract 1370 and the E. Little Survey, Abstract 954, more particularly described by metes and bounds in that certain Warranty Deed dated February 28, 1890 by and between J.S. Logan, as Grantor and The Fort Worth and Denver Railway Company, as Grantee, recorded in Volume 66 Page 603 in the Deed Records of Tarrant County, Texas.

END OF EXHIBIT "A"

EXHIBIT "B"

PRE-DRILL INFORMATION:

**AFE, SURVEY PLAT, REGULATORY APPLICATIONS AND APPROVALS,
GEOLOGICAL/ENGINEERING PROGNOSIS, DRILLING & COMPLETION
PROGRAMS**

Mail one (1) copy of each of the above to: BNSF Railway Company
c/o Dusty Sanderson
2505 Lakeview, Suite 210
Amarillo, TX 79109

DRILLING OPERATIONS:

DAILY DRILLING & COMPLETION REPORTS

Mail one (1) copy weekly of each of the above to: BNSF Railway Company
c/o Dusty Sanderson
2505 Lakeview, Suite 210
Amarillo, TX 79109

PRIOR NOTICE & RESULTS:

**DST'S, LOGS, CORES, COMPLETIONS, P&A, & ALL OTHER SIGNIFICANT
OPERATIONS**

Mail notification/results to: BNSF Railway Company
c/o Dusty Sanderson
2505 Lakeview, Suite 210
Amarillo, TX 79109

GEOLOGICAL REPORTS:

FOR WELL LOGS, DRILLING/SAMPLES, CORE ANALYSIS

Mail one (1) copy of each of the above to: BNSF Railway Company
c/o Dusty Sanderson
2505 Lakeview
Amarillo, TX 79109

EXHIBIT "C"

1. Lessor shall have the option to reduce the reserved landowner's royalty to zero percent (0%), in exchange for a fifty percent (50%) proportionately reduced working interest at payout of each well which shall bear its proportionate part of said reduced royalty. Payout shall be deemed to have occurred when the proceeds of production from the well, after deducting therefrom any applicable production, severance or Windfall Profit Taxes and royalty reserved by Lessor, equal the actual cost of drilling, testing, completing, equipping and operating such well up to the time of payout. All charges and operating costs included in the payout account shall be computed in accordance with the form of Operating Agreement hereinafter described in Section 3 of this exhibit (the "Operating Agreement"). All operations subsequent to payout of the well, if Lessor elects to receive a working interest, shall be conducted under such Operating Agreement.

2. Within ninety (90) days after completion of the each well, Lessee shall furnish Lessor a detailed accounting of the complete costs incurred in drilling, testing, equipping and operating such well. Lessee will also provide monthly statements of production and sales from said well and during the payout period shall provide Lessor with quarterly statements of the status of the payout account.

Lessee shall notify Lessor in writing within thirty (30) days after payout has occurred in the each well of such fact, and Lessor shall have thirty (30) days after receipt of such notice to notify Lessee in writing whether it elects to reduce its reserved royalty in exchange for a working interest as hereinabove provided. Such conversion, if so elected, shall be effective as of 7:00 a.m. on the day following the date upon which payout status is reached. Thereafter, Lessor shall own, in addition to its reduced royalty, its working interest share in the drillsite spacing unit of the well, the equipment thereon, and the production therefrom.

3. The Operating Agreement referenced herein shall be the A.A.P.L. Form 610-1982, Model Form Operating Agreement with the accompanying Exhibit "C", Accounting Procedure Joint Venture (COPAS-1984-On-shore) with the following modifications:

Operating Agreement.

- (1) The Contract Area shall be the Leased Premises described in Exhibit "A" to the Lease, together with such other lands as properly pooled therewith;
- (2) The Operator shall be that party designated by mutual agreement of Lessor and Lessee;
- (3) The exhibits selected pursuant to Article II shall be Exhibit "C" and such other agreements as Lessor and Lessee shall agree;
- (4) Article III (3) (B) shall be completed by inserting the minimum common royalty burden applicable to all parties;
- (5) Option No. 2 of Article IV(A) shall be designated as applicable;

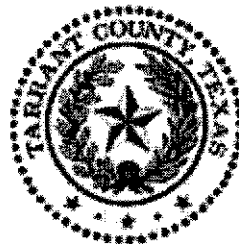
- (6) Article V(A) shall be completed by designation of the Operator by mutual agreement of the Lessor and Lessee;
- (7) The Initial Well of the Contract Area being pursuant to the Lease, Article VI(A), shall be deleted;
- (8) Article VI(B) (2) (b) shall be completed by the insertion of three hundred percent (300%) in both spaces provided;
- (9) Option No. 2 of Article VII(D) (1) shall be designated as applicable;
- (10) Article VII(D)(3) shall be completed by inserting Twenty-five Thousand and No/100 Dollars (\$25,000.00) in the first two spaces and Fifteen Thousand and No/100 Dollars (\$15,000.00) in the second two spaces of the subject section;
- (11) Article VIII(D) and VIII(F) shall be omitted from the Operating Agreement;
- (12) Article X shall be completed by inserting Ten Thousand and No/100 Dollars (\$10,000.00) in the spaces provided;
- (13) Option No. 1 of Article XIII shall be applicable. The Operating Agreement shall be effective as of payout;
- (14) Article XIV(B) shall be completed by inserting "Texas.";
- (15) Insurance equivalent to that required by the lease shall likewise be required by the Operating Agreement.

Accounting Procedures.

Exhibit "C", Accounting Procedure of the Operating Agreement shall be completed as follows:

- (1) Article I(3)(b) shall reflect the prime rate as quoted in the Money Rates section of the Wall Street Journal;
- (2) Article II(8)(a) shall be completed pursuant to mutual agreement of the Lessor and Lessee;
- (3) Article III (1)(i) shall be pursuant to the Fixed Rate Basis, paragraph 1A;
- (4) Article III (1) (ii) shall not be designated as covered by the overhead rates;
- (5) Article III (1) (iii) shall be designated as covered by the overhead rates;

- (6) Drilling well rates and producing well rates of Article III (1) (A) (1) shall be pursuant to the then current market rates, not to exceed the average commercial rate currently prevailing in the immediate area of the Leased Premises and not to exceed that rate charged any other non-operator of the Contract Area;
- (7) The rates applicable to Article III(2), Overhead/Major Construction, and Article III(3), Catastrophe Overhead, shall be negotiated prior to the charging of any joint account.



DALE RESOURCES LLC
2100 ROSS AVE STE 1870 LB-9

DALLAS TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 04/01/2009 12:48 PM
Instrument #: D209085697
LSE 20 PGS \$88.00

By:  _____



D209085697

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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